

February 4, 2013 *-Draft*

Dear Budget Director Villa:

Thank you for appearing before the General Government Joint Appropriations Subcommittee last week. Your presentation on the funding reduction for the Insure Montana program in the Governor's budget was appreciated and informative.

As the Subcommittee discussed with you, we would like to be able to fully understand and clearly articulate the Governor's position, rationale, and actions with respect to funding the Insure Montana program. In support of those goals, we have the following questions to which we would request a written answer:

- Was the structural imbalance in the health and Medicaid initiatives account the primary reason that funding for Insure Montana was eliminated? If not, what was the primary reason?
- Did the Budget Office review other programs funded from the account for possible reductions or alternative funding sources to enable continued funding for Insure Montana? If so, what was the conclusion and what were the important analysis factors?
- How did the Budget Office determine how businesses currently covered through Insure Montana would be served by both the SHOP (Small Business Health Options Program) and individual health insurance exchanges? Did the analysis determine the number of employees or businesses currently participating in the Insure Montana program that would not be able to receive subsidies on either exchange?
- Does the Budget Office anticipate that average assistance through the Affordable Care Act will be greater than, less than, or roughly equal to that offered by Insure Montana?
- Does the Budget Office anticipate that all businesses currently covered by Insure Montana will be able to find affordable replacement coverage through the Affordable Care Act?
- You mentioned that you are meeting with the Commissioner of Insurance and Securities about the Insure Montana program. Would you specify what issues are under discussion? Are you attempting to fund full or partial continuation of the program? If so, what would be the funding source?

The Subcommittee anticipates completing its work on Section A of HB 2 within the next two weeks. Could you provide written answers to these questions by Tuesday, February 12? If not, let us know how soon the information we requested would be available.

Again thank you for your testimony before the Subcommittee and your attention to this request for written information.

Sincerely,

Representative Ryan Osmundson, Chairman

Senator Alan Olson, Vice Chairman

Senator Edward Buttrey

Representative Champ Edmunds

Representative Kelly McCarthy

Senator Dave Wanzonried

Cc: Governor Steve Bullock

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